



**OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
DEVELOP LOUISVILLE
LOUISVILLE, KENTUCKY**

**GREG FISCHER
MAYOR**

**LAURA GRABOWSKI
ACTING DIRECTOR**

Dear Applicant:

Thank you for your interest in the Shawnee and Portland Homeownership Incentive Program (SPHIP)! This is an exciting opportunity to move into a neighborhood rich with history and has wonderful housing stock with neighborly people. Louisville Metro Government is placing a priority in incentivizing homeownership in an effort to further stabilize the Shawnee and Portland Neighborhoods. Exciting things are happening in the neighborhoods and we are looking forward to you being a part of it!

Incentives are being offered for individuals and families looking to move into the SPHIP area. If you meet the following criteria, this program is for you!

- Be interested in being a homeowner and residing in the Shawnee or Portland Homeownership Incentive Area (see map attached).
- Be committed to keeping the home as your primary residence for five years.
- Be excited about making up to \$24,999 in qualified improvements to your home. Participants must be approved prior to repairs being made and any cost over \$24,999 will be the responsibility of the homeowner and paid in full prior to Louisville Metro Government paying the remaining cost.
- Be willing to complete homeownership counseling, if a first-time homebuyer.
- Be willing to conduct a lead and asbestos inspection on the property if it was built prior to 1978. We can help provide contact information of qualified companies.

Louisville Metro Government is committed to creating an easy process for you to participate in the program. To get started, please read and complete the attached application packet. We are always available for questions or to help you through the process. Please know that we will move forward as quickly as possible on the processing of applications. We expect this process to take approximately eight weeks from Bank Closing to completion of the work on your new home, but there are many variables in the homeownership process that we do not control which can prolong the progression of your case. We are committed to continued communication with you as we move through this process together and you will always know where you stand with us. Please ensure that your realtor is aware that you are applying for SPHIP funding and that your sales contract will accommodate this timeframe.

We are looking forward to working with you!

Sincerely,

Lisa Carthen, Housing Program Coordinator – Lisa.carthen@louisvilleky.gov – 574-5370
Christina Maddox, Housing Program Specialist – Christina.maddox@louisvilleky.gov – 574-6030
Laura Grabowski, Acting Director – Laura.grabowski@louisvilleky.gov – 574-7308



LOUISVILLE FORWARD

www.louisvilleky.gov

HOUSING & COMMUNITY DEVELOPMENT 810 BARRETT AVENUE, LOUISVILLE, KENTUCKY 40204 502.574.5850 FAX 502. 574.6554

SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM

DOCUMENT CHECKLIST

All documents are listed below must be completed prior to approval of an application. Applications will be processed on a first-come, first-serve basis. Applications will be considered for funding once all information is received.

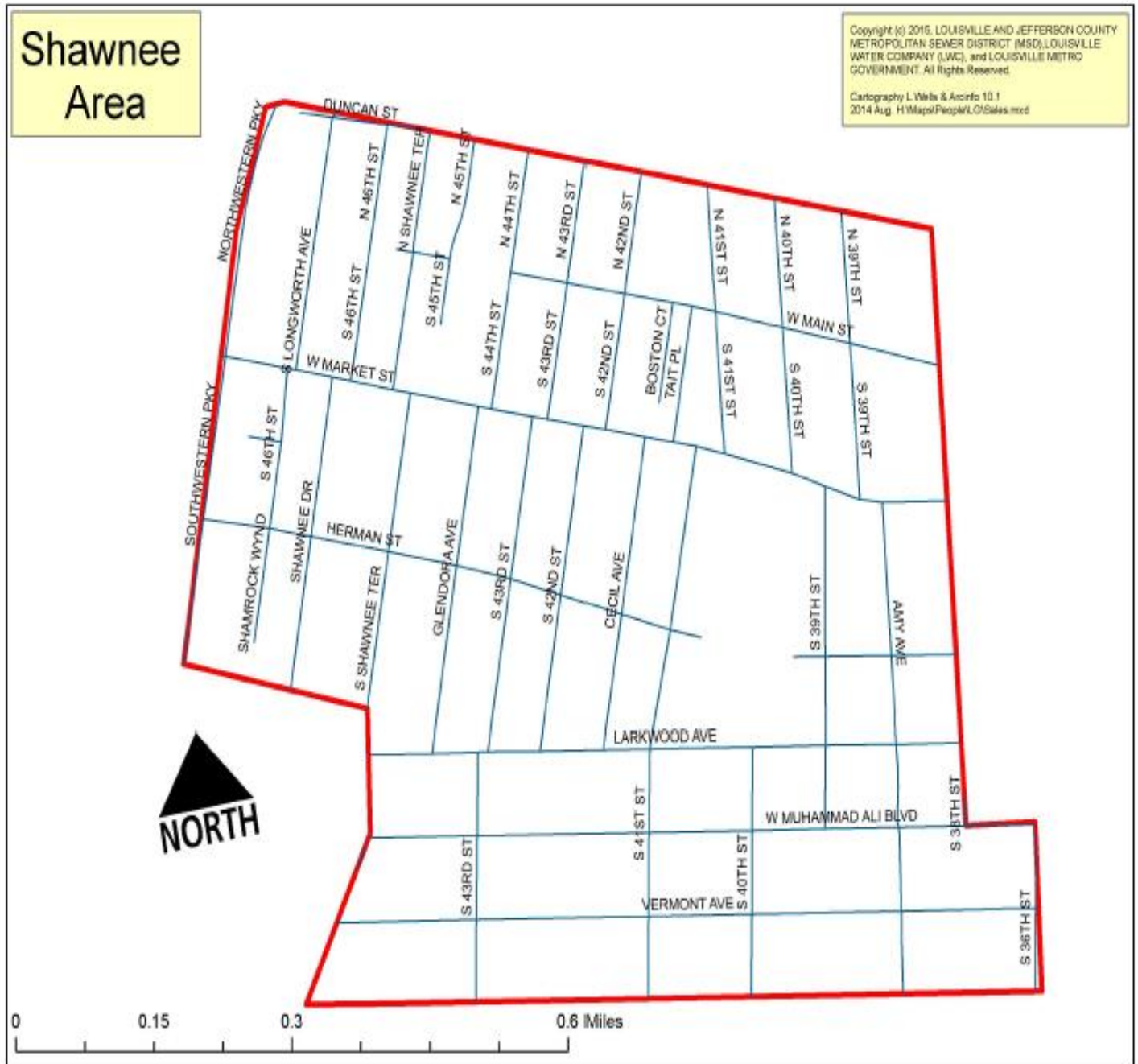
Please mail or hand deliver application and attachments to Lisa Carthen at lisa.carthen@louisvilleky.gov.

- ☐ 1. Completed, Signed application form
- ☐ 2. Borrower and Co-Borrower - Copy of Driver's License or Picture I.D. and Social Security Card
- ☐ 3. Copy of Social Security Card or Birth Certificate for all other household Members
- ☐ 4. Completed Sales Contract
- ☐ 5. Copy of Home Inspection (An examination of the condition of the home by a trained Home Inspector)
- ☐ 6. You may submit a typed "Wish List" of repairs you would like done to be reviewed with you when the Housing Rehab Specialist makes the initial inspection of the property. This will help speed up the inspection process and will give the Housing Rehab Specialist a comparison of your request to the copy of the Home Inspection submitted by you.
- ☐ 7. Income documentation for all household members 18 years old or older (Full month of recent paycheck stubs).
- ☐ 8. Borrower & Co-Borrower - Current and Last Year's Federal and State Tax Returns and W-2's
- ☐ 9. Pre-Approval Letter from Bank or Lending Institution
- ☐ 10. Copy of your Bank/Lending Institution Loan Application (Form 10-0-3)
- ☐ 11. Copy of Good Faith Estimate from Bank/Lending Institution
- ☐ 12. HUD Approved Homeownership Counseling Certificate, if first-time homebuyer
- ☐ 13. Copy of Divorce Decree (if applicable)
- ☐ 14. Notice of Voluntary Sale
- ☐ 15. Lead Based Paint Disclosure, if home is built before 1978
- ☐ 16. Lead Hazard Evaluation Notice, if home is built before 1978



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WATER COMPANY (LWC), and LOUISVILLE METRO
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Cartography: L. Wells & Assoc. 10.1
2014 Aug. H:\Map\People\LO\Sales.mxd



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM PORTLAND AREA MAP

Portland NRSA Boundary



Legend

 Portland NRSA Boundary



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COUNTY METROPOLITAN SEWER DISTRICT (MSD),
LOUISVILLE WATER COMPANY (LWC),
LOUISVILLE METRO GOVERNMENT and
JEFFERSON COUNTY PROPERTY VALUATION
ADMINISTRATOR (PVA). All Rights Reserved.

0 0.25 0.5 1 Miles

Housing and Family Services
Karl Keeling
January 6, 2011
<portlandnrsaboundary>



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM APPLICATION

***NOTE:** Spouse(s), if any, of titleholder should join in any proposed Deed or Mortgage.
(Refer to Kentucky Laws of Dower Rights). This is required for second mortgage/incentive.

(This package is being prepared for and submitted to the Housing and Community Development Division for second mortgage funds for the Shawnee and Portland Urban Homesteading Incentive.)

Borrowers' Name: _____

Marital Status (Check): Married ☐ Divorced ☐ Widowed ☐ Single ☐ Separated ☐ Date of Birth: _____

Present Address of Borrower(s): _____ Zip Code: _____

Home Phone: _____ Work Phone: _____ Cell Phone: _____

Present Employer: _____ Annual Income: _____

Co-Borrowers' Name: _____

Marital Status (Check): Married ☐ Divorced ☐ Widowed ☐ Single ☐ Separated ☐ Date of Birth: _____

Present Employer Co-Borrower: _____ Annual Income: _____

Total in Household Members: _____ (# of Adults _____ # of Children _____)

Household Member Name (Borrower & Co-Borrower does not have to be listed, additional members can be written on back of application)	Relationship	Age	Annual Income
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____

Are you a first time homeowner? Yes ☐ No ☐ Have you owned property in the last 3 years? Yes ☐ No ☐

Address of Property to be purchased: _____ Zip Code: _____

Sales Price: _____ Is this house: Existing Structure ☐ or New Construction ☐

Loan Officer: _____ Phone #: _____ Fax #: _____

Realtor: _____ Phone #: _____ Fax #: _____

Builder/Seller: _____ Phone #: _____ Fax #: _____

Bank or Lending Institution: _____



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM APPLICATION

Form **4506**

(Rev. September 2013)

Department of the Treasury
Internal Revenue Service

Request for Copy of Tax Return

► Request may be rejected if the form is incomplete or illegible.

OMB No. 1545-0429

Tip. You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a **Tax Return Transcript** for many returns free of charge. The transcript provides most of the line entries from the original tax return and usually contains the information that a third party (such as a mortgage company) requires. See **Form 4506-T, Request for Transcript of Tax Return**, or you can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Order a Return or Account Transcript" or call 1-800-908-9946.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.	

Caution. If the tax return is being mailed to a third party, ensure that you have filled in lines 6 and 7 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy. Once the IRS discloses your tax return to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your return information, you can specify this limitation in your written agreement with the third party.

6 Tax return requested. Form 1040, 1120, 941, etc. and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. ►	
Note. If the copies must be certified for court or administrative proceedings, check here <input type="checkbox"/>	
7 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than eight years or periods, you must attach another Form 4506. _____ _____ _____	
8 Fee. There is a \$50 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN, ITIN, or EIN and "Form 4506 request" on your check or money order.	
a Cost for each return	\$ 50.00
b Number of returns requested on line 7	
c Total cost. Multiply line 8a by line 8b	\$
9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here <input type="checkbox"/>	

Caution. Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer. **Note.** For tax returns being sent to a third party, this form must be received within 120 days of the signature date.

Sign Here	Signature (see instructions)	Date	Phone number of taxpayer on line 1a or 2a
	Title (if line 1a above is a corporation, partnership, estate, or trust)		
	Spouse's signature	Date	

For Privacy Act and Paperwork Reduction Act Notice, see page 2.

Cat. No. 41721E

Form **4506** (Rev. 9-2013)



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM APPLICATION

RELEASE

I, the undersigned buyer(s), applying for a soft second mortgage through the Develop Louisville, Housing and Community Development give(s) permission to same, to obtain any and all information needed in processing this loan. All information obtained will be used only for the purpose of processing of loan.

Address of property:_____ Zip Code:_____

This must be signed and dated.

Borrower

Spouse/Co-Borrower

Signature:_____

Signature:_____

Printed Name:_____

Printed Name:_____

Date:_____

Date:_____

FOR FEDERAL REPORTING PURPOSES ONLY

Are any members of the immediate household an employee, agent, consultant, officer, or elected and/or appointed official of the Public Body, or of any designated public agencies or employed by, and agent for, or consultant to Develop Louisville, Housing and Community Development? ____Yes ____ No

If yes, please explain:_____

Are you a former or current resident of public housing? ____Yes ____ No

Race/Ethnicity:

☐ Caucasian

☐ African American

☐ Hispanic or Non-Hispanic

☐ Native American

☐ Asian American

☐ Latino or Other_____

Household Type:

☐ Single

☐ Married

☐ Elderly

☐ Related/Single Parent

☐ Related/Parent

☐ Handicap

☐ Female Head of Household

☐ Male Head of Household



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM POLICY INFORMATION

DESCRIPTION OF INCENTIVE

The homebuyer incentive for the Shawnee and Portland Homeownership Incentive Program is designed to stimulate the sale and rehabilitation of single-family homes in the Shawnee and Portland Neighborhood Revitalization Strategy Areas. An incentive of up to \$24,999* for qualified property repairs and improvements will be provided in the form of a forgivable second mortgage to individuals and families wishing to purchase a home in the priority project area of the Shawnee and Portland Neighborhood Revitalization Strategy areas.

TERMS OF REPAYMENT OR RELEASE OF SECOND MORTGAGE

The second mortgage is forgivable over a five-year period; however, in the event of the sale of the subject property or transfer of title to the subject property before the fifth year anniversary of the property closing, the second mortgage must be repaid in full.

The second mortgage is forgivable over a five-year period. In the event of sale or transfer of your home before the expiration of the end of fifth year from the date of purchase, the entire 2nd mortgage must be repaid.

In addition, if you: **1)** do not occupy the home as your principal residence; or **2)** default on any superior mortgage or junior liens; or **3)** file a Petition in Bankruptcy and/or have a Petition filed against you or make an assignment for the benefit of your creditors, the entire sum of the 2nd mortgage is due.

A lien, held by Louisville Metro Government, will be placed on the property for the specified incentive amount until the five year expiration. Annual monitoring of principal residency and homeowner's insurance will be completed by Louisville Metro Government.

POLICY ON SUBORDINATION FOR REFINANCES

The Grantor will review subordination requests on a case-by-case basis. In general, the Grantor will consider subordinating its second mortgage lien to a new first mortgage lender when the new first mortgage meets all of the following conditions:

- The new loan is for the purpose of obtaining an interest rate reduction or for the purpose of obtaining loan terms more favorable to the borrower. ("Cash Out" loans or refinances for the purpose of consolidating, eliminating or reducing debt do not meet this condition.)
- The new first mortgage is no greater than the current payoff plus reasonable (as determined by the Grantor) closing costs.
- There is total compliance with the terms and conditions of the Grantor's original note, mortgage and/or agreement with the Borrower.
- The debt does not exceed appraised value.
- The new loan does not have an adjustable interest rate.
- The new loan does not have a prepayment penalty clause.
- There is no reduction of the borrower's income or increase in the debt to income ratios.

*Note: Participants must be approved prior to repairs being made and any cost over \$24,999 will be the responsibility of the homeowner and paid in full prior to Louisville Metro Government paying the remaining cost.



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM POLICY INFORMATION

POLICY ON SUBORDINATION FOR REFINANCES

In the event a subordination request is for a purpose other than obtaining more favorable loan terms:

- The borrower must undergo a refinance review by a HUD certified counseling agency at borrowers cost.
- Provide a copy of the counseling agency's determination to the subordination request. The Grantor will then undertake an evaluation of the request based upon the extreme hardship to the borrower, the overall loan terms and recommendation of the counseling agency. Borrowers' participation in and completion of the review process does not ensure approval of subordination request.

In either of the above scenarios, the Grantor will undertake reviews of subordination requests only if it is accompanied by complete documentation per the guidelines of the Subordination Request. Incomplete documentation shall be the basis for the immediate denial of the request.

Because of confidentiality constraints, neither the grantor(s) nor the staff of the Louisville Metro will communicate with lenders or their loan officers regarding the subordination application or approval status.

APPLICATION SIGNATURES

I acknowledge receipt of the Terms and Conditions of the Soft Second Mortgage Award Policy. I further acknowledge that the Terms and Conditions of this Policy have been reviewed with me and explained in full.

Borrower

Date

Co-Borrower

Date

Housing and Community Development Staff

Date



**SHAWNEE AND PORTLAND
HOMEOWNERSHIP INCENTIVE PROGRAM**

NOTICE OF VOLUNTARY SALE

I/We, _____
Homebuyer(s)

have applied for rehabilitation assistance through Louisville Metro Government – Develop Louisville. This assistance is funded by Federal CDBG funds. I am purchasing the home for fair market value which is determined by the appraisal.

I/We, _____
Seller(s)

am selling the property located at _____

Louisville, KY _____ Zip Code _____

I understand the buyer does not have the power of eminent domain. I also understand that I am selling this property as a voluntary transaction and that I am not eligible for relocation funds.

Signed this _____ day of _____, _____
(year)

Homebuyer(s)

Signed this _____ day of _____, _____
(year)

Seller(s)



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM

LEAD BASED PAINT DISCLOSURE

_____(Seller) and _____(Buyer)

For property at _____

Lead Warning Statement:

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based; or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure (initial)

_____(a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

☐ Known lead-based paint and/or lead-based paint hazards are present in the housing: (explain)

☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

_____(b) Records and Reports available to the seller (check one below):

☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based hazards in the housing: (List all documents below):

☐ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's Acknowledgement (initial)

_____(c) Purchaser has received all information listed above.

_____(d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

_____(e) Purchaser has (check one below)

☐ Received a ten day opportunity or mutually agreed upon period to conduct risk assessment or inspection for the presence of lead-based paint or lead-based paint hazards; or

☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgement (initial)

_____(f) Agent has informed the Seller of the Seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Broker Agent has advised Seller of Seller's obligation under the law to complete this form and Seller has refused to do so

Seller _____ Date / / Buyer _____ Date / /

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge that the information they have provided is true and accurate.

Seller _____	Date / /	Buyer _____	Date / /
Seller _____	Date / /	Buyer _____	Date / /
Agent _____	Date / /	Agent _____	Date / /



**SHAWNEE AND PORTLAND
HOMEOWNERSHIP INCENTIVE PROGRAM
LEAD HAZARD EVALUATION NOTICE (page 1 of 2)**

Address: _____

Evaluation Completed (circle one): Paint Inspection Paint Testing Risk Assessment

Date: _____

Summary of Results:

_____ No lead-based paint or lead-based paint hazards were found.

_____ Lead-based paint and/or lead-based paint hazards were found. See attachment for details

Contact person for more information about the risk evaluation:

Printed name: _____

Signature: _____

Date: _____

Organization: _____

Street: _____

City & State: _____

Zip: _____

Phone #: _____

Person who prepared this notice:

Printed name: _____

Signature: _____

Date: _____

Organization: _____

Street: _____

City & State: _____

Zip: _____

Phone #: _____



SHAWNEE AND PORTLAND HOMEOWNERSHIP INCENTIVE PROGRAM LEAD HAZARD EVALUATION NOTICE (page 2 of 2)

Summarize the types and locations of lead-based paint hazards below or attach your own summary. The summary must list at least the bare soil locations, dust-lead locations, and/or building components (including type of room or space and the material underneath the paint), and types of lead-based paint hazards found:

<u>Contaminated Soil</u>		
Area	mg/g (ppm)	Location
<input type="checkbox"/> None		
<input type="checkbox"/> Perimeter	<input type="text"/> mg/g (ppm)	
<input type="checkbox"/> Play Area	<input type="text"/> mg/g (ppm)	
<input type="checkbox"/> Other	<input type="text"/> mg/g (ppm)	

<u>Contaminated Dust</u>		
Area	µg/SF	Location
<input type="checkbox"/> None		
<input type="checkbox"/> Windowsill	<input type="text"/> µg/SF	
<input type="checkbox"/> Floor	<input type="text"/> µg/SF	
<input type="checkbox"/> Other	<input type="text"/> µg/SF	
<input type="checkbox"/> Other	<input type="text"/> µg/SF	

<u>Other Hazards</u>				
<u>Component*</u>	<u>Location</u>	<u>Condition</u> (good, fair, poor)	<u>Friction or</u> <u>Impact Surface?</u>	<u>Lead Content</u> (if known)
1.				<input type="text"/> mg/cm ² (ppm)
2.				<input type="text"/> mg/cm ² (ppm)
3.				<input type="text"/> mg/cm ² (ppm)
4.				<input type="text"/> mg/cm ² (ppm)
5.				<input type="text"/> mg/cm ² (ppm)
6.				<input type="text"/> mg/cm ² (ppm)
7.				<input type="text"/> mg/cm ² (ppm)
8.				<input type="text"/> mg/cm ² (ppm)
9.				<input type="text"/> mg/cm ² (ppm)
10.				<input type="text"/> mg/cm ² (ppm)
11.				<input type="text"/> mg/cm ² (ppm)
12.				<input type="text"/> mg/cm ² (ppm)
13.				<input type="text"/> mg/cm ² (ppm)
14.				<input type="text"/> mg/cm ² (ppm)